

1 Department of Health

2

3 Adopted Permanent Rules Relating to Aggregate Health Care

4 Financial and Statistical Data

5

6 Rules as Adopted

7 4651.0100 DEFINITIONS.

8 [For text of subpart 1, see M.R.]

9 Subp. 2. Bad debt. "Bad debt" means the actual amounts of  
10 charges that were not collected from patients who were  
11 considered as patients with the ability to pay, when a  
12 collection attempt has been made.

13 Subp. 3. Billing and collection costs. "Billing and  
14 collection costs" means all costs incurred as a result of, or  
15 while performing, the various functions involved in the process  
16 of billing and collecting for patient care services including:  
17 preparation of billings, submission of claims, receipt of cash,  
18 posting of payment, and collection of past due accounts.  
19 Billing and collection costs includes costs of the personnel  
20 performing or supervising these functions, including salary and  
21 benefits; costs of occupancy expenses, including rent,  
22 depreciation, and utilities; and costs for space used for these  
23 functions. Billing and collection costs also includes costs for  
24 billing and collection systems, whether manual or computerized;  
25 electronic claims processing systems; payments to collection  
26 agencies; billing and collection forms and supplies; postage;  
27 payments to outside billing service bureaus; or any other costs  
28 related to the billing and collection function.

29 Subp. 4. Charity care. "Charity care" means the total  
30 amount of dollars written off for uninsured or underinsured  
31 individuals who cannot pay for total charges billed because of  
32 limited income or unusual circumstances.

33 [For text of subps 5 to 8, see M.R.]

34 Subp. 9. Education-degree program costs.

35 "Education-degree program costs" means all costs associated with

1 formally organized or planned programs of study approved by the  
2 governing body of the health care provider which result in the  
3 conferring of a degree or specialty designation. These  
4 activities must be licensed if required by state law or, if  
5 licensing is not required, then the program must be approved by  
6 the recognized national professional organization for that  
7 particular activity. Education-degree program costs also  
8 includes costs of the personnel performing or supervising these  
9 functions, including salary and benefits; costs of occupancy  
10 expenses, including rent, depreciation, and utilities; costs for  
11 space used for these functions; and any other costs related to  
12 this function such as supplies and equipment.

13 Subp. 10. Education-other costs. "Education-other costs"  
14 means all costs incurred for educational programs, including  
15 continuing education programs, staff development seminars, and  
16 other training programs for health care professional staff and  
17 any other clinic personnel. Education-other costs also includes  
18 costs of the personnel performing or supervising these  
19 functions, including salary and benefits; costs of occupancy  
20 expenses, including rent, depreciation, and utilities; costs for  
21 space used for these functions; and any other costs related to  
22 this function such as registration fees, travel expenses,  
23 lodging, and course materials.

24 Subp. 11. Encounter. "Encounter" means a contact between  
25 a patient and a health care provider during which a service is  
26 rendered. Encounter also means an instance of the professional  
27 component of laboratory and radiology services. Patients may  
28 have more than one encounter per day. An encounter does not  
29 include failed appointments, telephone contacts, or the  
30 technical component of radiology or laboratory services.

31 Subp. 12. Financial, accounting, and reporting costs.  
32 "Financial, accounting, and reporting costs" means the cost of  
33 the accumulation of financial accounting information and the  
34 preparation and filing of internal and external financial,  
35 statistical, or utilization reports required by management;  
36 federal, state, county, or local governmental agencies; or other

1 nongovernmental entities. Financial, accounting, and reporting  
2 costs includes general accounting, financial reporting,  
3 budgeting, cost accounting, payroll, accounts payable, inventory  
4 accounting, fixed assets accounting, or tax and government  
5 reporting, and costs of the personnel performing or supervising  
6 these functions, including salary and benefits; costs of  
7 occupancy expenses, including rent, depreciation, and utilities;  
8 costs for space used for these functions; and any other costs  
9 related to this function such as supplies and equipment.

10 Subp. 13. [See repealer.]

11 [For text of subps 14 and 15, see M.R.]

12 Subp. 16. Other patient care costs. "Other patient care  
13 costs" means other costs necessary for direct patient care other  
14 than patient care personnel costs as defined in subpart 16a.  
15 Other patient care costs includes all expenses for professional  
16 services purchased from other providers; drugs and medications;  
17 transportation of health care staff; laboratory, radiology,  
18 physical therapy, or optical supplies; costs for movable or  
19 nonmovable medical equipment, including depreciation on owned  
20 equipment or rental fees on leased equipment; medical equipment  
21 maintenance; information and communication systems that directly  
22 support health care professionals, such as laboratory  
23 information systems and paging systems; medical waste disposal,  
24 uniforms, linen service, and allocated occupancy expenses,  
25 including rent, depreciation, and utilities; and costs for space  
26 used for direct patient care services such as exam rooms, nurses  
27 stations, and laboratories.

28 Subp. 16a. Patient care personnel costs. "Patient care  
29 personnel costs" means all compensation costs for personnel  
30 involved in providing health care services directly to patients,  
31 including the costs of patient care personnel who own the  
32 reporting entity, who are employees of the reporting entity, or  
33 who are independent contractors. Patient care personnel costs  
34 includes salaries, benefits, fees, commissions, production  
35 bonuses, profit sharing, and any other form of compensation  
36 provided to patient care personnel.

1 Subp. 17. [See repealer.]

2 Subp. 18. Patient registration, scheduling, and admissions  
3 costs. "Patient registration, scheduling, and admissions costs"  
4 means all costs related to the processing of information  
5 necessary to provide care to patients, including costs for  
6 scheduling patient visits within and outside the provider's  
7 clinic, registering patients, maintaining medical records for  
8 patient visits, admissions, precertification, and other related  
9 functions. Patient registration, scheduling, and admissions  
10 costs also includes receptionists, appointment schedulers,  
11 medical transcriptionists, and preadmission review personnel,  
12 and costs of the personnel performing or supervising these  
13 functions, including salary and benefits; costs of occupancy  
14 expenses, including rent, depreciation, and utilities; costs for  
15 space used for these functions; and any other related expenses  
16 such as supplies and equipment.

17 Subp. 19. Patient and public health education costs.  
18 "Patient and public health education costs" means the costs  
19 associated with health promotion, wellness education, and  
20 disease-specific patient information. Patient and public health  
21 education costs includes all costs associated with providing  
22 educational programs or materials intended for patients or the  
23 public at large, including patient education materials that are  
24 printed or on video, and seminars, workshops, or classes, that  
25 are used to educate or inform patients or the general public on  
26 enhancing or modifying health behavior and promoting healthier  
27 lifestyles. Patient and public health education costs also  
28 include the costs of the personnel performing or supervising  
29 these functions, including salary and benefits; costs of  
30 occupancy expenses, including rent, depreciation, and utilities;  
31 costs for space used for these functions; and any other costs  
32 related to this function such as training materials, supplies,  
33 and equipment.

34 Subp. 20. Promotion and marketing costs. "Promotion and  
35 marketing costs" means all costs related to performing or  
36 supervising marketing activities such as advertising, printing,

1 marketing, representative wages and fringe benefits,  
2 commissions, broker fees, travel, occupancy, and other expenses  
3 allocated to the marketing activity. Promotion and marketing  
4 costs does not include costs associated with health promotion,  
5 wellness education, and patient education programs.

6 Subp. 20a. Provider identifier. "Provider identifier"  
7 means the provider's unique provider identification number or,  
8 if the provider does not have a unique provider identification  
9 number, the provider's Minnesota license number. If the  
10 provider does not have a Minnesota license, then provider  
11 identifier means the provider's license number from another  
12 jurisdiction. After the federal Health Care Finance Financing  
13 Administration implements a national provider identifier,  
14 provider identifier will mean the national provider identifier  
15 issued by the federal Health Care Finance Financing  
16 Administration.

17 Subp. 21. Research costs. "Research costs" means the  
18 direct and general program costs for activities which are part  
19 of a formal program of medical or scientific research approved  
20 by the governing body of the health care provider. Research  
21 costs includes clinical, general health services, outcomes, and  
22 basic science research, and may or may not involve patients.  
23 Research costs includes the cost of the personnel performing or  
24 supervising these functions, including salary and benefits;  
25 costs of occupancy expenses, including rent, depreciation, and  
26 utilities; costs for space used for these functions; and any  
27 other costs related to this function such as supplies and  
28 equipment.

29 [For text of subp 22, see M.R.]

30 Subp. 23. Utilization review and quality assurance costs.  
31 "Utilization review and quality assurance costs" means the costs  
32 of programs or activities specifically established or designated  
33 for the purpose of monitoring and measuring the use of health  
34 care resources and the quality of care provided to patients,  
35 including utilization review, quality assurance, quality  
36 improvement, and peer review. Utilization review and quality

1 assurance costs includes the costs of individuals who dedicate  
2 their time or a portion of their time to perform or supervise  
3 these functions, including salary and benefits; costs of  
4 occupancy expenses including rent, depreciation, and utilities;  
5 costs for space used for these functions; and any other related  
6 expenses such as supplies and equipment.

7 4651.0110 HEALTH CARE PROVIDER REPORTING.

8 Subpart 1. [See repealer.]

9 Subp. 2. Medical doctor and doctor of osteopathy  
10 reporting; date for filing; reporting period. This subpart  
11 applies to health care providers who are medical doctors  
12 licensed under Minnesota Statutes, section 147.02, or doctors of  
13 osteopathy licensed under Minnesota Statutes, section 147.031.  
14 These health care providers shall file with the commissioner a  
15 health care provider financial and statistical report on or  
16 before April 1 of each year. The report must be on forms or  
17 computer formats issued or approved by the commissioner and must  
18 contain data from the preceding calendar year.

19 The commissioner shall use a statistically valid sample of  
20 these providers whose solo practice or clinic has total revenues  
21 of less than \$1,000,000 instead of requiring all such providers  
22 to submit the report ~~if-the-commissioner-determines-that-this~~  
23 ~~can-be-done-without-having-a-significant-negative-effect-on~~  
24 ~~monitoring-and-trending-of-the-access,-utilization,-quality,-and~~  
25 ~~cost-of-health-care-services-within-Minnesota-or-on-estimating~~  
26 ~~total-Minnesota-health-care-expenditures-and-trends.~~ For  
27 purposes of this subpart, total revenues are as specified in  
28 part 4651.0120, item K. Providers selected to be in the sample  
29 shall complete the report on or before April 1 of the year  
30 sampled. Providers not selected to be in the sample are not  
31 required to complete the report.

32 Subp. 2a. Chiropractor and dentist reporting; date for  
33 filing; reporting period. This subpart applies to health care  
34 providers who are chiropractors licensed under Minnesota  
35 Statutes, section 148.06, or dentists licensed under Minnesota

1 Statutes, section 150A.06. If the commissioner determines that  
2 collecting data from these health care providers is important  
3 for monitoring and trending of the access, utilization, quality,  
4 and cost of health care services within Minnesota or for  
5 estimating total Minnesota health care expenditures and trends,  
6 then the commissioner shall use a statistically valid sample of  
7 such providers. Providers selected to be in the sample shall  
8 file with the commissioner a health care provider financial and  
9 statistical report on or before April 1 of the year sampled.  
10 The report must be on forms or computer formats issued or  
11 approved by the commissioner and must contain data from the  
12 preceding calendar year. Providers not selected to be in the  
13 sample are not required to complete the report.

14 Subp. 3. Clinic or group reporting. Health care providers  
15 organized as a clinic or group may jointly file one report that  
16 meets the requirements of part 4651.0120 for the clinic or group.

17 Subp. 4. Aggregate reporting. An organization operating  
18 more than one clinic may report to the commissioner for all  
19 clinics. An organization may submit the data in the report for  
20 each clinic or in the aggregate for all clinics. If the data is  
21 submitted in the aggregate for all clinics, then the  
22 organization must include the name, address, and number of  
23 encounters for each clinic covered by the report.

24 Subp. 5. Small business providers. This subpart applies  
25 to health care providers who are required to report pursuant to  
26 subpart 2 or 2a. A health care provider whose solo practice or  
27 clinic has total revenues of less than \$1,000,000 may file a  
28 short report in lieu of filing a report that meets the  
29 requirements of part 4651.0120. For purposes of this  
30 subdivision, total revenues are as specified in part 4651.0120,  
31 item K. The short report must include information required by  
32 part 4651.0120, items A to K, O, and P. The short report must  
33 also include expenses in the categories specified in part  
34 4651.0120, item N, subitems (1), (3), (8), (9), (13), and (15).

35 4651.0120 REPORTING REQUIREMENTS.

1 The report must include:

2 A. the following statistical and demographic data:  
3 the clinic, group, or organization name, system ownership if  
4 applicable, county, telephone number, and federal tax  
5 identification number or employee identification number, as  
6 appropriate, and whether participating or nonparticipating in  
7 the Medicare program;

8 B. the name of the health care providers furnishing  
9 services at the health care provider's location, including each  
10 provider's identifier;

11 C. the total number of full-time equivalent employees  
12 for the health care provider by type of employee, including  
13 medical doctors, doctors of osteopathy, chiropractors, dentists,  
14 physician assistants, advanced practice nurses, registered  
15 nurses, other patient care personnel, other personnel who do not  
16 provide patient care, and provider services under agreement;

17 D. the number of encounters for the health care  
18 provider, broken down by Minnesota or non-Minnesota residency  
19 status;

20 E. the number of encounters by clinic site;

21 F. the type of accounting method, including accrual,  
22 cash, or modified cash, used to describe financial data on the  
23 form;

24 G. the signature and telephone number of the person  
25 completing the report and certification that the contents of the  
26 report are true to the best of that person's knowledge and, if a  
27 person who is not an employee of the clinic is used to assist in  
28 the preparation of the report, the name, address, employer, and  
29 telephone number of the person;

30 H. a statement of net patient receipts for the health  
31 care provider itemized by type of payer. Net patient receipt  
32 allocations may be calculated by making estimates based upon  
33 existing information and historical experience. Any reasonable  
34 method of allocation is acceptable. Net patient receipts may be  
35 calculated on historical experience using percentages applied to  
36 total revenue amounts. The provider of the data does not need



1 to go back through all individual patient records from the  
2 previous year to sort out the information requested. Net  
3 patient receipts must be reported in the following categories:

4 (1) Medicare;

5 (2) medical assistance, general assistance  
6 medical care, and MinnesotaCare;

7 (3) other public payers;

8 (4) commercial insurers, preferred provider  
9 organizations, and nonprofit health plan corporations;

10 (5) health maintenance organizations, CISNs, and  
11 ISNs;

12 (6) workers' compensation and automobile personal  
13 injury;

14 (7) patient pay, including deductibles,  
15 copayments, self-filed insurance, and services not covered by  
16 insurance; and

17 (8) revenues from contracts which cannot  
18 reasonably be allocated to the categories in subitems (1) to  
19 (7);

20 I. a statement of net patient receipts which are  
21 received on a contractual per-member per-month capitated basis,  
22 where the amount the provider is reimbursed is not directly  
23 related to the amount or coding of services provided. Net  
24 patient receipt allocations may be calculated by making  
25 estimates based on existing information and historical  
26 experience. Any reasonable method of allocation is acceptable.  
27 Net patient receipts may be calculated on historical experience  
28 using percentages applied to total revenue amounts. The  
29 provider of the data does not need to go back through all  
30 individual patient records from the previous year to sort out  
31 the information requested;

32 J. a statement of other operating revenue for the  
33 health care provider itemized as follows:

34 (1) research revenue;

35 (2) education revenue;

36 (3) donations, grants, and subsidies, which are

1 not for research or education;

2 (4) other operating revenues not captured in the  
3 categories in subitems (1) to (3); and

4 (5) the subtotal of other revenues which are the  
5 sum of subitems (1) to (4);

6 K. total revenues, which are the sum of items H and  
7 J, subitem (5);

8 L. a statement of charity care and bad debt;

9 M. an optional statement total of discounts,  
10 disallowed charges, and contractual adjustments;

11 N. a statement of expenses for the health care  
12 provider. The expense allocations may be calculated by making  
13 estimates based upon existing information and historical  
14 experience. Any reasonable method of allocation is acceptable.  
15 Expenses may be allocated based on the number of full-time  
16 equivalent employees performing the specific categorical tasks,  
17 on a percentage basis, on a square footage basis when allocating  
18 costs for space, or on the basis of any other allocation. The  
19 provider of the data does not need to conduct time studies or  
20 keep detailed time records for the purpose of allocating costs.  
21 The expenses must be reported in the following categories:

22 (1) patient care personnel costs;

23 (2) other patient care costs;

24 (3) malpractice costs;

25 (4) billing and collection costs;

26 (5) patient registration, scheduling, and

27 admissions costs;

28 (6) financial, accounting, and reporting costs;

29 (7) utilization review and quality assurance

30 costs;

31 (8) research costs;

32 (9) education-degree program costs;

33 (10) patient and public health education costs;

34 (11) education-other costs;

35 (12) promotion and marketing costs;

36 (13) MinnesotaCare tax;

1 (14) other costs not captured in subitems (1) to  
2 (13); and

3 (15) total expenses, which are the sum of  
4 subitems (1) to (14);

5 O. the time spent to complete the report; and

6 P. a statement indicating whether or not the  
7 respondent received outside assistance to complete the report.

8 4651.0150 VARIANCES.

9 Subpart 1. Data from other sources. On a request by a  
10 provider or on the commissioner's own initiative, the  
11 commissioner shall determine whether to use data from other  
12 sources instead of collecting data required by this chapter. To  
13 make this determination, the commissioner shall consider whether:

14 A. the data from other sources are duplicative of  
15 data required under this chapter;

16 B. the data from other sources are available at a  
17 reasonable cost;

18 C. the commissioner has the resources readily  
19 available to use the data from other sources; and

20 D. the commissioner will be able to use the data from  
21 other sources to meet all statutory data collection, analysis,  
22 and privacy requirements.

23 Subp. 2. Aggregate reporting for systems. An organization  
24 operating a clinic which is part of a system of clinics,  
25 hospitals, or group purchasers may request to report to the  
26 commissioner for all components of the system as an aggregate.  
27 If the commissioner determines that the commissioner will be  
28 able to use the data from the system as an aggregate to meet all  
29 statutory data collection, analysis, and privacy requirements,  
30 then the commissioner shall grant the request.

31 REPEALER. Minnesota Rules, parts 4651.0100, subparts 13 and 17;  
32 and 4651.0110, subpart 1, are repealed.